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Subject: Truth in Lending

I would like to comment on the proposed changes to the way credit card companies do business. These proposed changes are long over due but do not go far enough. I feel that governmental oversight of the credit card industry has been lax and has been dictated by the interests of the industry with little, or in some cases, no protection offered to the consumer.

In many instances it has almost been a license for the industry to print money. Credit card statements and disclosures are confusing to say the least, purposely misleading, and in some cases lead to the "legal" pickpocketing of the public. Bait and switch introductory rates, unclear credit limits, universal default clauses, two-cycle billing for balance computation, minimum (15 day) disclosure limits, allocation of payments to lower balances, non-existent grace periods, and many other practices are and will continue to impact the economic health of the public and the economic health of our nation. This is another case where an industry is allowed to aggressively market and offer credit to consumers, without proper credit verification and proof of credit worthiness, and when these people default pass their losses onto other credit card holders through fees and higher rates. This is just another form of the sub-prime lending crisis facing our nation. When will the other shoe drop and how will it affect our national economy.

I would like to see a real summary of interest charges listing interest charges paid during a years period. Show people the real cost of credit purchases. Eliminate bait and switch introductory rates. Eliminate the universal default clause, which goes far beyond costing you more money through increased fees and higher interest rates, and can affect your credit rating and ability to purchase a house or car. Increase the minimum disclosure limit from 15 days to 45 days. Eliminate two-cycle balance computation methods which are only a way for companies to penalize people who paid off their balances. Fix the allocation of payments so that consumers can pay off higher (and older balances) balances and are able to take advantage of special rates and grace periods. Clearly identify credit limits.

People are responsible for the decisions they make, but when credit card companies can use deceptive and misleading practices to induce consumers to overuse their products and incur debt they cannot possibly repay, these consumers need a more level playing field and regulatory protection.

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